GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:135
ANSWERED ON:20.11.2000
UNIVERSAL SERVICE OBLIGATION FUND
PAWAN KUMAR BANSAL

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether there is a proposal to establish a Universal Service Obligation Fund to generate resources for providing access to telecommunications to remote and unprofitable areas; and

(b) if so, the details of the scheme in this regard and the reasons for the delay in implementing the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Sir, under the New Telecom Policy, 1999, the Government is committed to provide access to all people for basic telecom services at affordable and reasonable prices and seeks to achieve the following Universal Service Objectives:-

i. Provide voice and low speed data service to balance 2.9 lakh uncovered villages in the country by the year 2002.
ii. Achieve internet access to all district headquarters by the year 2000.
iii. Achieve telephone on demand in urban and rural areas by 2002.

The resources for meeting the Universal Service Obligation would be raised through the imposition of a universal access levy, which would be a percentage of the revenue earned by all the operators under various licenses. This percentage is to be decided by the Government in consultation with the Telecom Regulatory Authority of India(TRAI).

A consultation Paper on the subject of Universal Service Obligation was released by the TRAI on 3.7.2000.The TRAI had sought inputs on the consultation paper (which is a public document and is also available on the internet) from various stakeholders, including service providers, consumers and other organizations and Financial Institution etc. The matter is presently being examined by TRAI and the Government will take a final decision on it after receiving formal recommendations from the TRAI.